Approved For Release 2003/08/19: CIA-RDP79R00890Ad01200040033-4 NSC BRIEFING

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6 April 1960

IRAN

- I. Soviet-Iranian relations have continued at an impasse since we discussed this subject here last month.
 - We still have no indication whether the Iranians have approached the Soviets, as they were considering doing, on the possibility of a meeting of the Shah and Khrushchev in Europe this spring.

II.	At present	t it appear	's that	Communist	elements	in	Iran	may	be	25X1
	preparing	to step up	their	activity.						

- C. This week the East German radio -- which serves as a mouthpiece for the central committee of the outlawed Tudeh (Communist) party--broadcast a long message to Tudeh members in Iran urging "every revolutionary individual" to "revive the Tudeh organizations" and re-establish contact with one another.
- D. We believe there is a good possibility that the Tudeh estimates it has made sufficient progress among Iranian students in Europe and among sympathizers in Iran that it can once more make a forceful show of strength.
- III. The Shah, meanwhile, although concerned over the external Communist threat, apparently feels that things are going fairly well for his regime internally.
 - He is now hopefully expecting a son and heir to the throne. Approved For Release 2003/08/19: CIA-RDP79R00890A001200040033-4

- The new queen's child is due by early fall; but if it's another daughter, it doesn't count.
- B. New Majlis elections will be held this spring, and the Shah expects to make the parliament more pliable by judicious purging of deputies and selection of new candidates.
- D. In mid-March the Shah forced the present Majlis to approve a landreform bill over the strong objections from powerful landlords, and he believes this bill will broaden support for monarchy.
- IV. We believe the prospects for stability of the Shah's regime have not improved.
 - A. Considerable dissatisfaction continues over the Shah's dictatorial role, the lack of improvements for the lower classes, and corruption in government.
 - B. Legal measures such as the new land-reform bill--which could have far-reaching effects on popular opinion over the long term--in the short run probably weaken rather than strengthen the regime.
 - 1. Reform bills such as this infuriate those vested interests which are the traditional mainstays of the monarchy, and fail to attract any substantial support from the middle- and lower-classes which are interested only in immediate results.

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